

Public Utilities

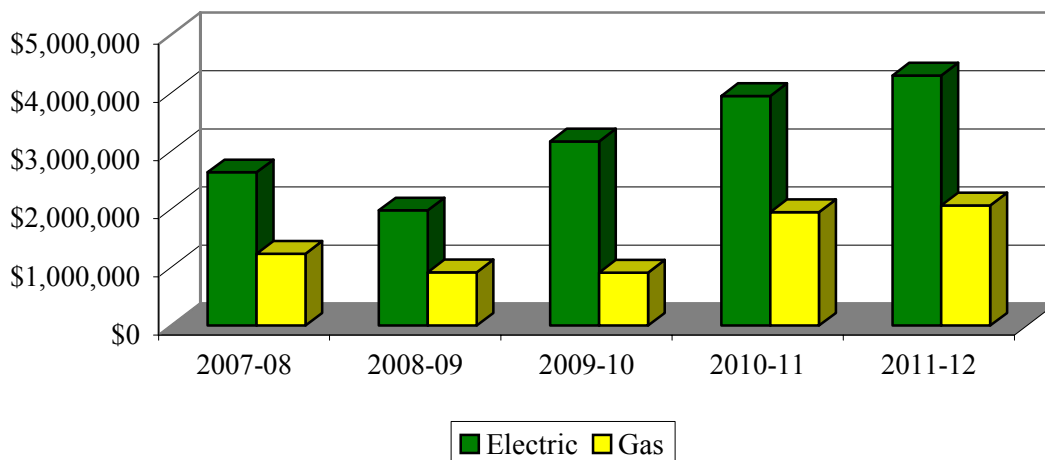
The Public Utilities Capital Projects (electric and gas systems) are one of the largest expenditure categories, representing almost one-quarter of the proposed Capital Improvements Program. Projects include improvements and expansion of the electric and gas systems through transmission, distribution and service projects.

Fiscal Year	Recommended Expenditures - Electric Fund	Recommended Expenditures - Gas Fund
2008	\$2,636,000	\$1,235,000
2009	\$1,980,000	\$915,000
2010	\$3,167,000	\$910,000
2011	\$3,946,000	\$1,950,000
2012	\$4,300,000	\$2,065,000

Revenues

Funding for these recommended capital projects will principally come from electric and gas utility sales revenues. For the large and costly projects (substation construction, dispatch center, automated meter reading project and gas peaking shaving facility), debt financing will be used with the associated debt service payments to be funded through the current revenues of the electric and gas systems. The Gas and Electric Utility funds will be able to support their expenditures during the five year CIP period, with some additional Electric revenues placed in a Capital Reserve initiated in FY 2007-2008 to fund a scheduled substation project.

Public Utilities Capital Projects Funding



Public Utilities

Capital Improvement Program Highlights:

- Continued to fund new mains and services for the extension of gas service.
- Continued funding for the relocation of electric utility lines to accommodate North Carolina Department of Transportation improvement projects.
- Funding provided for replacement of electric and gas heavy motorized equipment and vehicles.
- Continued funding for replacement of wooden electric transmission line poles.
- Continued funding for automated meter reading equipment for Electric and Gas Utilities.
- Funding provided for upgrade of electric substations 1, 2, 5, and 9.
- Continued funding for construction of a second point of delivery station.
- Continued funding for Utility GIS & Dispatching System and Central Dispatch Center.
- Established funding for work associated with mandated remediation of former manufactured gas plant.

Previously Funded Projects:

Project	Status
Upgrade Electric Point-of-Delivery Station	Complete
Electric Equipment Shed	Complete
Automated Meter Reading	In-Progress
New Services for Gas Utility	In-Progress
Cast Iron Pipe Replacement	In-Progress
Electric System Distribution Improvements	In Progress
Load Management Program	In-Progress

Public Utilities - Electric

FUNDING SOURCES	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Grants	\$914,400	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserves	\$0	\$0	\$0	\$0	\$1,856,000	\$0	\$1,856,000
Debt Proceeds	\$1,194,200	\$1,111,000	\$730,000	\$2,017,000	\$1,140,000	\$3,350,000	\$8,348,000
General Fund Contribution	\$112,000	\$0	\$0	\$0	\$0	\$0	\$0
Electric Fund Contribution	\$1,543,300	\$1,525,000	\$1,250,000	\$1,150,000	\$950,000	\$950,000	\$5,825,000
TOTAL FUNDING	\$3,763,900	\$2,636,000	\$1,980,000	\$3,167,000	\$3,946,000	\$4,300,000	\$16,029,000

PROJECT DESCRIPTIONS:

Equipment Replacement - Electric	\$267,950	\$425,000	\$330,000	\$365,000	\$340,000	\$505,000	\$1,965,000
Radio System Improvements	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Relocation of Utility Lines - DOT	\$0	\$50,000	\$200,000	\$50,000	\$0	\$0	\$300,000
Distribution System Improvements	\$397,350	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,200,000
Residential Load Management Program	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Street Light Improvement	\$800,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Utility GIS & Dispatching System	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Upgrade Point of Delivery Station	\$684,000	\$0	\$0	\$0	\$0	\$0	\$0
Construct Second Point of Delivery Station	\$150,000	\$375,000	\$400,000	\$0	\$0	\$0	\$775,000
Substation # 2 - Rebuild Station	\$50,000	\$686,000	\$0	\$0	\$0	\$0	\$686,000
Substation # 9 - Rebuild Station	\$0	\$0	\$0	\$1,652,000	\$0	\$0	\$1,652,000
Substation # 5 - Rebuild Station	\$0	\$0	\$0	\$0	\$1,856,000	\$0	\$1,856,000
Substation #1 - Rebuild Station	\$0	\$0	\$0	\$0	\$0	\$1,345,000	\$1,345,000
Substation # 11 - Expand Capacity	\$410,200	\$0	\$0	\$0	\$0	\$0	\$0
Substation # 12 - Refurbish Transformer	\$254,400	\$0	\$0	\$0	\$0	\$0	\$0
Central Dispatch Center	\$0	\$0	\$0	\$0	\$0	\$700,000	\$700,000
Transmission Pole Replacement	\$150,000	\$150,000	\$200,000	\$250,000	\$250,000	\$250,000	\$1,100,000
Sectionalizing Plan - Electric	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Long Range Plan - Electric	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Automated Meter Reading -Electric	\$150,000	\$150,000	\$150,000	\$150,000	\$800,000	\$800,000	\$2,050,000
Equipment Shed - Electric	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Transformer Shop Addition	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECTS	\$3,763,900	\$2,636,000	\$1,980,000	\$3,167,000	\$3,946,000	\$4,300,000	\$16,029,000



Public Utilities - Electric

Division: Electric

Category: 5

Number:

6000.95

Title: Equipment Replacement - Electric

Project Justification:

To provide funds for new and replacement construction equipment necessary for the construction, operation and maintenance of the City's Electric Distribution System. Proper and reliable equipment is essential for ensuring a safe, reliable, and cost effective operation. Equipment that is not replaced at the end of its usable life increases repair and operating costs, and outage duration, while decreasing safety, reliability, and customer satisfaction.

This budget provides for replacing equipment on the following cycle:

Service Bucket Trucks - 10 years

Bucket & Derrick Trucks - 10 years

Directional Bore, Large - 10 years

Dump Trucks (3) - 10 years

Backhoe (3) - 10 years

Trencher, Large (3); Medium (1) - base replacement on hours and maintenance costs

EQUIPMENT	N/R	PRIOR YEAR	2007-08	2008-09	2009-10	2010-11	2011-12	2008-12
		COST	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN TOTAL
Bucket Truck, 35' (Substation)	R						\$80,000	\$80,000
Bucket Truck, 40' (Service)	R		\$175,000		\$185,000		\$200,000	\$560,000
Bucket Truck, 60'	R	\$167,950						\$0
Bucket Truck, 60' (Mtl. Hndlr.)	R		\$200,000					\$200,000
Bucket Truck - Transmission	R							\$0
Derrick Truck, Regular	R	\$100,000		\$190,000				\$190,000
Derrick Truck, Large	R						\$225,000	\$225,000
Directional Bore, Large	R					\$200,000		\$200,000
Mini Derrick	R			\$80,000				\$80,000
Dump Truck	R					\$70,000		\$70,000
Trencher, Medium	R				\$80,000			\$80,000
Trencher, Large	R				\$100,000			\$100,000
Backhoe	R			\$60,000		\$70,000		\$130,000
Excavation Tamper	R		\$50,000					\$50,000
TOTAL		\$267,950	\$425,000	\$330,000	\$365,000	\$340,000	\$505,000	\$1,965,000
FUNDING SOURCE								
Current Revenue								\$0
Enterprise Revenue		\$167,950						\$0
Debt		\$100,000	\$425,000	\$330,000	\$365,000	\$340,000	\$505,000	\$1,965,000
Capital Reserves								\$0
Grants/Other								\$0
TOTAL		\$267,950	\$425,000	\$330,000	\$365,000	\$340,000	\$505,000	\$1,965,000

N/R= New or Replacement

Public Utilities - Electric

Division: Electric

Category: 5

Number:

6000.95

Title: **Equipment Replacement - Electric**

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B-3 in that it updates the CIP to quality utility service.

Project Status:

FY 2005-06: Funds carried over for 60' Bucket Truck received 12/06.

FY 2006-07: A replacement Derrick Truck @ \$180,000 and Trencher @ \$100,000 were planned for FY 2005-06. The Derrick was eliminated from the final budget. A replacement Derrick Truck is a higher priority and will be ordered; the Trencher will be deferred until a later date. Funds for the additional cost of the Derrick will be utilized from another capital account.

FY 2007-08: Priority: Service Bucket, 60' Material Handler, Excavation Tamper.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Radio System Improvements

Project Description:

This project provides for the systematic replacement of analog radios and radio equipment with digital capable equipment. Dependable and reliable communications are essential for all City departments to operate effectively.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction							\$0
Equipment/Furnishing	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
TOTAL	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
FUNDING SOURCE							
Current Revenue	\$112,000						\$0
Enterprise Revenue	\$38,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective A in that it provides to upgrade and maintain existing municipal facilities and services which is consistent with the Comprehensive Plan.

Project Status:

FY 2006-07: The analog controller and six analog repeaters were removed from service and were relocated at a private radio tower providing a true backup radio system. Eighty replacement portable digital capable radios were purchased.

FY 2007-08: Sixty replacement portable, digital capable radios will be purchased.

Future Years: Ongoing purchase of replacement portable and mobile digital capable radios.

Public Utilities - Electric

Division: Electric

Category: 1

Number:

6001.95

Title: Relocation of Utility Lines - DOT

Project Description:

This project involves the relocation of electric lines for North Carolina Department of Transportation (NCDOT) road improvement projects at their cost.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction							\$0
Equipment/Furnishing	\$0	\$50,000	\$200,000	\$50,000		\$0	\$300,000
TOTAL	\$0	\$50,000	\$200,000	\$50,000	\$0	\$0	\$300,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$0	\$50,000	\$200,000	\$50,000		\$0	\$300,000
Debt Proceeds							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$50,000	\$200,000	\$50,000	\$0	\$0	\$300,000

Estimated Annual Operating Costs: \$ - Recurring \$ -

Justification:

This project is required to comply with NCDOT.

Project Status:

Approved NCDOT projects:

FY 2007-08: Southern Connector

FY 2008-09: Northern Connector

FY 2008-09: Winstead Ave road widening

FY 2009-10: Hunter Hill road widening

Cost estimates will be finalized upon completion of NCDOT road plans.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

6005.95

Title: Distribution System Improvements

Project Description:

This project provides for improvements to distribution circuits by extending feeders, replacing inadequate systems, and replacing decayed poles. This provides increased service reliability to our customers. The following projects have been identified:

Express feeder to reservoir area.

Express feeder Sub # 6 to Sub # 10

Replace old copper lines and poles (former Domestic Electric lines)

Replace deteriorating underground primary cable

	PRIOR YEAR	2007-08	2008-09	2009-10	2010-11	2011-21	2008-12
PROJECT	COST	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN TOTAL
Planning							\$0
Construction							\$0
Equipment/Furnishing	\$397,350	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,200,000
TOTAL	\$397,350	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,200,000

FUNDING SOURCE

Current Revenue							\$0
Enterprise Revenue	\$397,350	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,200,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$397,350	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,200,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, 2, & 3, and F - 1 in that it provides for the expansion and maintenance of the electric distribution system which supports economic development and is consistent with the Comprehensive Plan.

Project Status:

FY 2006-07: Express feeder to reservoir area - \$197,350 (under construction); extend express feeder to S. Old Carriage Rd - \$50,000; replace old copper lines and poles - \$75,000; replace deteriorating underground primary cable - North Green area - \$75,000.

FY 2007-08: Express feeder Sub # 6 to Sub # 10 - \$100,000; replace deteriorating underground primary cable - North Green area - \$100,000.

Public Utilities - Electric

Division: Electric

Category: 8

Number:

6003.95

Title: Residential Load Management Program

Project Description:

These funds are used to purchase new and replacement load management switches for our residential load management program. Load management switches are installed on customer's electric water heaters, central air conditioners and electric heat pumps. The switches are operated each month during the highest system demand and assist to lower the coincidental peak which decreases the wholesale cost of electricity. These savings are shared with the customer.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction							\$0
Equipment/Furnishing	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
TOTAL	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 3 & 4, and F - 1 in that it provides for the purchase of equipment which lowers the City's cost of power which is consistent with the Comprehensive Plan.

Project Status:

To date, the city has installed 6,322 water heater switches, 4,825 air conditioner switches, 1,530 total control switches, and 485 heat strip switches. Cost per switch is around \$100.

Public Utilities - Electric

Division: Electric

Category: 10

Number:

6013.96

Title: Street Light Improvement

Project Description:

This project involves installing street lighting according to North Carolina Department of Transportation (NCDOT) standards.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing	\$800,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
TOTAL	\$800,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Debt							\$0
Capital Reserves							\$0
Grants/Other	\$700,000						\$0
TOTAL	\$800,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ 25,000

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective F - 2 in that it provides for installing street lighting which is consistent with the Comprehensive Plan.

Project Status:

FY 2006-07 & FY 2007-08: Two year project to provide street lighting along N. Wesleyan Blvd. US 301 from Jefferies Road to the entrance to Hospira (formerly Abbott's) Industrial Plant. Total cost is \$900,000, with NCDOT contributing \$550,000, Nash County \$150,000, and Rocky Mount \$200,000. Recurring costs represent the City's cost of power for these street lights. This project is currently in the design phase.

Public Utilities - Electric

Division: Electric

Category: 8

Number:

6014.97

Title: Utility GIS & Dispatching System

Project Description:

This project involves the expansion and maintenance of a Graphical Information System (GIS) database of the City's electric and gas facilities. This data is used by the electric and gas system models, long range planning studies, electronic and paper system maps, work order system and the automated trouble call system. These systems enable the Utility Department to efficiently plan and design system expansions and reinforcements, improve outage response times and support dispatching and accurate customer billing.

	PRIOR YEAR	2007-08	2008-09	2009-10	2010-11	2011-12	2008-12
PROJECT	COST	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
TOTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, 2, & 3, & F - 1 in that it provides for the expansion and maintenance of the electric distribution system which supports economic development and is consistent with the Comprehensive Plan.

Project Status:

Work Completed: Upgraded SCADA system hardware and software; made SCADA available to additional users over City network; replaced Interactive Voice Response (IVR) hardware and software.

Work Pending: Survey of pole attachments (transformers, street lights, cable TV, etc.); mapping of underground electric distribution system; dissemination of electronic maps (through the use of a lap top/pen based computer) of all underground electric and gas facilities for the two Utility Locators.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Upgrade Point of Delivery Station

Project Description:

Project is to upgrade the City's single Electrical Point of Delivery Station where all electrical power is received. This equipment is at the end of its usable life and failure will result in a City-wide power interruption. Funds are to replace the existing relays, 69 kV circuit breakers and switches as well as to split this one supply point into two thereby further reducing City-wide power interruption exposure.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction	\$684,000						\$0
Equipment/Furnishing							\$0
TOTAL	\$684,000	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt	\$684,000						\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$684,000	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

This project is complete.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Construct Second Point of Delivery Station

Project Description:

Project is to construct a second point of delivery station. Load growth projections indicate this additional station will be needed in the next 5 to 15 years. The Power Agency's transition from the Power Coordination Agreement to the Open Access Transmission Tariff necessitates completion of the first phase of this project before 2010. Funds are for planning, design, land acquisition, and construction of 230 kV structures, switches, and tie bus. Funds are also included in later years for construction of a 230 to 12 kV station and/or a 230 to 69 kV delivery point station. System load growth will be evaluated each year to determine required date for delivery point station construction.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition	\$150,000	\$275,000					\$275,000
Construction		\$100,000	\$400,000				\$500,000
Equipment/Furnishing							\$0
TOTAL	\$150,000	\$375,000	\$400,000	\$0	\$0	\$0	\$775,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$150,000	\$375,000					\$375,000
Debt			\$400,000				\$400,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$150,000	\$375,000	\$400,000	\$0	\$0	\$0	\$775,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the Electric Distribution System and provides for proper management of the Electric Distribution System which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

FY 2006-07: Negotiations are underway with NCEMPA, Progress Energy and Dominion to finalize project parameters and land requirements. The acquisition of land is planned to be initiated this fiscal year.

FY 2007-08: Station layout, design and sitework.

FY 2008-09: Construct 230 kV structures, switches and tie bus. Progress Energy to construct the tap from their 230 kV transmission line; evaluate system load growth to update final delivery point station transformer purchase and installation plans and dates.

Future Years: If system load growth confirms the need, relocate and rebuild existing adjacent Substation # 8 and purchase and install a 230 to 12 kV transformer.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation # 2 - Rebuild Station

Project Description:

Project is to rebuild Substation # 2. It includes replacing the low side bus structure and associated circuit breakers and relays and the high voltage structures, insulators, and switches. This equipment is over 40 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages. Repair parts are no longer readily available. This project was identified for replacement in the long range planning study and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning	\$50,000						\$0
Construction		\$686,000					\$686,000
Equipment/Furnishing							\$0
TOTAL	\$50,000	\$686,000	\$0	\$0	\$0	\$0	\$686,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$50,000						\$0
Debt		\$686,000					\$686,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$50,000	\$686,000	\$0	\$0	\$0	\$0	\$686,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

Project will be designed in FY 2006-07 and constructed in FY 2007-08.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation # 9 - Rebuild Station

Project Description:

Project is to rebuild Substation # 9. It includes replacing the 30 year old 69kV substation transformer and associated high voltage structures, insulators, and switches and replacing the low side bus structure, associated circuit breakers, and relays. This equipment is over 30 years old and is at the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages. Repair parts are no longer readily available. This project was identified for replacement in the long range planning study and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning				\$80,000			\$80,000
Construction				\$1,572,000			\$1,572,000
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$1,652,000	\$0	\$0	\$1,652,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt				\$1,652,000			\$1,652,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$1,652,000	\$0	\$0	\$1,652,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

Project will be designed and constructed in FY 2009-10.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation # 5 - Rebuild Station

Project Description:

Project is to rebuild Substation # 5. It includes replacing the 40 year old 69kV substation transformer and associated high voltage structures, insulators and switches and replacing the low side bus structure, associated circuit breakers and relays. This equipment is over 40 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages. Repair parts are no longer readily available. This project was identified for replacement in the long range planning study and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service. This project will be funded with proceeds from a Capital Reserve established in FY 2007-08

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning					\$110,000		\$110,000
Construction					\$1,746,000		\$1,746,000
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$0	\$1,856,000	\$0	\$1,856,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt							\$0
Capital Reserves					\$1,856,000		\$1,856,000
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$1,856,000	\$0	\$1,856,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive

Project Status:

Project will be designed and constructed in FY 2010-11.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation #1 - Rebuild Station

Project Description:

Project is to rebuild Substation # 1. It includes replacing the 45+ year old 69kV substation transformer and associated high voltage structures, insulators and switches. This equipment is over 40 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages. This project was identified for replacement in the long range planning study and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning						\$120,000	\$120,000
Construction						\$1,225,000	\$1,225,000
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$1,345,000	\$1,345,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt						\$1,345,000	\$1,345,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$1,345,000	\$1,345,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

Project to be designed and constructed in FY 2011-12.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation # 7 - Rebuild Station

Project Description:

Project is to rebuild Substation # 7. It includes replacing the low side bus structure and associated circuit breakers and relays and the high voltage structures, insulators and switches. This equipment is over 40 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages. Repair parts are no longer readily available. This project was identified for replacement in the long range planning study and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction							\$0
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

Project will be designed and constructed in FY 2013-14.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation # 11 - Expand Capacity

Project Description:

The transformers at Substations #6, 10 and 11 are heavily loaded during peak summer load. With continued system load growth, if one were to fail there may not be sufficient capacity in the other transformers to pick up the load. This project will provide funds to test and relocate the unused transformer from substation #4 to # 11. It also provides funding to construct the necessary low side bus structure and associated circuit breakers and relays at substation #11. This project is necessary in order to continue provide reliable power and a satisfactory level of customer service.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction	\$410,200						\$0
Equipment/Furnishing							\$0
TOTAL	\$410,200	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt	\$410,200						\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$410,200	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

Project is underway. The unused transformer at substation # 4 has been tested and moved to substation # 11. Project is expected to be completed by 9/07.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Substation # 12 - Refurbish Transformer

Project Description:

On June 1, 2006, the load tap changer on the station transformer at Substation # 12 failed damaging the tap windings in the transformer. The transformer has been shipped back to the manufacturer (General Electric) to be repaired. The cost of these repairs is expected to be covered by the City's insurance minus the deductible.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction	\$254,400						\$0
Equipment/Furnishing							\$0
TOTAL	\$254,400	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$40,000						\$0
Debt							\$0
Capital Reserves							\$0
Grants/Other	\$214,400						\$0
TOTAL	\$254,400	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective F - 1 in that it provides for proper management of the electric distribution system consistent with the Comprehensive Plan.

Project Status:

Transformer is at the repair facility and expected to be returned and placed back into service by 2/07.

Public Utilities - Electric

Division: Electric

Category: 8

Number:

6022.99

Title: Central Dispatch Center

Project Description:

This project provides funds for the expansion and renovation of the Electric and Gas Operations building to provide for 24-hour Central Dispatch and Storm Operations Center. The Public Utilities Department has outgrown its present facilities. Current after hours dispatching is performed by Police Dispatch. All four utility operations (Electric, Gas, Water, Sewer) will be dispatched from this Central Dispatch Center 24 hours a day as well as any other non-public safety related calls. Will also provide funds for the electronic equipment to both dispatch all four utilities and to manage utility response during emergency conditions such as storms

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction						\$400,000	\$400,000
Equipment/Furnishing						\$300,000	\$300,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$700,000	\$700,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt						\$700,000	\$700,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$700,000	\$700,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ 168,000

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 2 and F - 1 in that it through strategic planning and proper management of the electric distribution system it provides for quality utility service which is consistent with the Comprehensive Plan.

Project Status:

Project is currently on hold pending study of the City's current and future uses and activities at the Operation Complex on Albemarle Ave.

Public Utilities - Electric

Division: Electric

Category: 5

Number:

Title: Transmission Pole Replacement

Project Description:

This project is to provide for the replacement of wooden transmission line poles and insulators. These poles support the City's 69kv transmission system which supplies power to the City's 14 Substations. They are critical to the operation of the electrical system. 159 of these poles are 33+ years old. 621 of these poles have a manufacture date that, due to the age of the pole, is no longer readable and most likely 40+ years old. These poles are past the end of their usable life and will be replaced with steel poles. This item was identified in the long range planning study and is necessary to continue to provide reliable electrical service to our customers.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction	\$150,000	\$150,000	\$200,000	\$250,000	\$250,000	\$250,000	\$1,100,000
Equipment/Furnishing							\$0
TOTAL	\$150,000	\$150,000	\$200,000	\$250,000	\$250,000	\$250,000	\$1,100,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$150,000	\$150,000	\$200,000	\$250,000	\$250,000	\$250,000	\$1,100,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$150,000	\$150,000	\$200,000	\$250,000	\$250,000	\$250,000	\$1,100,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

FY 2004-05: 14 poles replaced.

FY 2005-06: 17 poles replaced.

FY 2006-07: 24 poles are planned to be replaced

Public Utilities - Electric

Division: Electric

Category: 2, 3, 6

Number:

Title: Sectionalizing Plan - Electric

Project Description:

Project is to provide for purchase and installation of additional system protection and sectionalizing devices. A protection device coordination study underway in FY 2006-07 will determine the proper size and location of system protection and sectionalizing devices (relays, reclosers, and fuses). This will insure the proper level of protection is provided to all distribution equipment such as station transformers and will coordinate to localize power interruptions. Additional sectionalizing devices and protect equipment are necessary as system changes in both load size and location. This study was last performed in 1988. There have been many changes to the distribution system since then which necessitate this study. This project was identified in the long range planning study and are necessary to continue to provide safe, reliable electrical service to our customers.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2007-12 PLAN TOTAL
Planning							\$0
Construction	\$0	\$100,000					\$100,000
Equipment/Furnishing							\$0
TOTAL	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$0	\$100,000					\$100,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive

Project Status:

Project will constructed in FY 2007-08.

Public Utilities - Electric

Division: Electric

Category: 6

Number:

6024.02

Title: Long Range Plan - Electric

Project Description:

This project provides funding for a long range planning study of the City's electric system and the update of the distribution system model. The distribution system model is utilized for system analysis including present system voltage and capacity as well as long-range voltage and capacity at 2, 5 and 10 year intervals. The long range plan will include system load growth projections based on historical usage information, weather and mathematical trending, and an analysis of factors influencing electricity use in each geographical area. This study will be the basis for all future system improvements such as rebuilding, constructing, and locating substations, reinforcement circuit installations, and minimizing system losses.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition		\$50,000					\$50,000
Construction							\$0
Equipment/Furnishing							\$0
TOTAL	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue		\$50,000					\$50,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Project Status:

The recent passage of the federal Energy Policy Act requires an update to the long range plan to ensure our plans are consistent with the requirements of this new law.

Public Utilities - Electric

Division: Electric

Category: 2, 8

Number:

Title: Automated Meter Reading -Electric

Project Description:

To provide funding for Automated Meter Reading (AMR) of electric, gas and water meters. AMR provides meter reading without gaining access to a customers property. Costs are reduced through reduced staffing, reduced re-reads, more accurate reads, and elimination of access problems. Customer service is improved by eliminating estimated bills, reducing high bill complaints, and eliminating need to access customer premise. Cash flow is improved by fewer meter reading cycles and reduced revenue delays due to inaccurate or estimated reads. It also reduces liabilities through reduced employee driving of vehicles and the entering of customer premises. Theft detection is also greatly enhanced.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing	\$150,000	\$150,000	\$150,000	\$150,000	\$800,000	\$800,000	\$2,050,000
TOTAL	\$150,000	\$150,000	\$150,000	\$150,000	\$800,000	\$800,000	\$2,050,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$150,000	\$150,000	\$150,000	\$150,000			\$450,000
Debt					\$800,000	\$800,000	\$1,600,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$150,000	\$150,000	\$150,000	\$150,000	\$800,000	\$800,000	\$2,050,000

Estimated Annual Operating Costs: \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy B - 2 & F - 1 in that it upgrades existing utility service and improves the management of utilities which is consistent with the Comprehensive Plan.

Project Status:

As of 12/06: 2,263 single phase and 93 three phase AMR installations with locking devices have been installed
 Remainder of FY 2006-07: 2,450 single phase and 300 three phase AMR installations with locking devices are planned.
 FY 2007-08 to FY 2009-10: 3,000 AMR installations with locking devices are planned per year
 FY 2010-11 to FY 2012-13: The remaining single phase and three phase AMR installations with locking devices are planned which will complete the project.

Public Utilities - Electric

Division: Electric

Category: 9

Number:

6025.02

Title: Equipment Shed - Electric

Project Description:

To fund the construction of an equipment shed at the pole yard. This building would be 200' by 40'. It would be used to store approximately 20 pieces of the Utility Department's construction equipment (bucket trucks, line trucks, trenchers, backhoes, mini-derrick) This equipment is deteriorating since it is now stored outside in the weather. In addition, various emergency supplies would be centrally stored here such as substation equipment, transformer oil, copper wire, etc., allowing for faster response to outages.

	PRIOR YEAR	2007-08	2008-09	2009-10	2010-11	2011-12	2008-12
PROJECT	COST	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN TOTAL
Planning/Acquisition							\$0
Construction	\$100,000						\$0
Equipment/Furnishing							\$0
TOTAL	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$100,000						\$0
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, 2, & 3, and F - 1 in that it provides for proper storage of the equipment necessary to maintain and expand the city's electric distribution system which is consistent with the Comprehensive Plan.

Project Status:

This project is under construction and will be completed in FY 2006-07.

Public Utilities - Electric

Division: Electric

Category: 9

Number:

6025.02

Title: Transformer Shop Addition

Project Description:

To fund the construction of an additional work bay on the transformer shop located at the pole yard. This addition will house a workshop area to be utilized by the substation technicians.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction	\$50,000						\$0
Equipment/Furnishing							\$0
TOTAL	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$50,000						\$0
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: Start up \$ - Recurring \$ -

Justification:

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, 2, & 3, and F - 1 in that it provides workshop area for proper repair of substation equipment which is consistent with the Comprehensive Plan.

Project Status:

This project is under construction and will be completed in FY 2006-07.

Public Utilities - Gas

FUNDING SOURCES:	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt	\$185,000	\$205,000	\$0	\$0	\$1,200,000	\$1,200,000	\$2,605,000
General Fund Contribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas Fund Contribution	\$850,000	\$1,030,000	\$915,000	\$910,000	\$750,000	\$865,000	\$4,470,000
TOTAL FUNDING	\$1,035,000	\$1,235,000	\$915,000	\$910,000	\$1,950,000	\$2,065,000	\$7,075,000

PROJECT DESCRIPTIONS:							
Equipment Replacement - Gas	\$185,000	\$205,000	\$65,000	\$60,000	\$0	\$65,000	\$395,000
New Gas Main	\$300,000	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,300,000
Replace Gas Main	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
New Gas Services	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Gas System Expansion	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Automated Meter Reading - Gas	\$100,000	\$100,000	\$100,000	\$100,000	\$1,200,000	\$1,200,000	\$2,700,000
Peak Shaving Facility	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000
MGP Remediation	\$0	\$130,000	\$0	\$0	\$0	\$0	\$130,000
TOTAL PROJECTS	\$1,035,000	\$1,235,000	\$915,000	\$910,000	\$1,950,000	\$2,065,000	\$7,075,000

Public Utilities - Gas

Division: Gas Category: 5 Number: 6502.95

Title: Equipment Replacement - Gas

Project Description:

This project will provide funds for new and replacement construction equipment necessary for the installation and maintenance of natural gas mains and services. Proper and reliable equipment is essential for ensuring safe and cost effective operation of the Gas Division. Equipment that is not replaced at the end its usable life increases repair costs and operating costs, while decreasing safety, reliability, and customer satisfaction.

This budget provides for replacing equipment on the following cycle:

Backhoe - 10 years

Trencher, Mains - 6 years

Trencher, Services - 6 years

EQUIPMENT	N/R	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Trencher - Mains	R	\$95,000	\$110,000					\$110,000
Trencher - Services	R			\$65,000			\$65,000	\$130,000
Backhoe	R				\$60,000			\$60,000
Crew Truck	N	\$90,000						\$0
Small Boring Rig	N		\$95,000					\$95,000
TOTAL		\$185,000	\$205,000	\$65,000	\$60,000	\$0	\$65,000	\$395,000

FUNDING SOURCE

Current Revenue								\$0
Enterprise Revenue				\$65,000	\$60,000		\$65,000	\$190,000
Debt		\$185,000	\$205,000					\$205,000
Capital Reserves								\$0
Grants/Other								\$0
TOTAL		\$185,000	\$205,000	\$65,000	\$60,000	\$0	\$65,000	\$395,000

N/R= New or Replacement

FY 2006-07: A replacement Trencher - Mains and a Crew Truck were received.

FY 2007-08: Priority: Trencher - Mains, Small Boring Rig.



Public Utilities - Gas

Division: Gas

Category: 8

Number:

6500.95

Title: New Gas Main

Project Description:

This project provides funds for the installation of natural gas mains to serve new residential, commercial and industrial customers. Our citizens benefit by being provided the choice of an economical energy source. The City benefits through increased revenues due to increased natural gas sales and customer satisfaction. Projects anticipated for FY 2007-08 and beyond are:

Ford's Colony - next phases
Bend of the River Rd. Expansion
West Mount Dr. Expansion
Crossings @ 64
Meadowbrook Rd. Loop

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning							\$0
Construction	\$300,000	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,300,000
Equipment/Furnishing							\$0
TOTAL	\$300,000	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,300,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$300,000	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,300,000
Bond Proceeds							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$300,000	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,300,000

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy F-1 in that it provides for gas main extensions consistent with the Comprehensive Plan.

Project Status:

Year to date gas main footage installed: 24,858' with a total projection of 50,000'. Completed projects include Mullen Business Park, Benvenue Road Business Park, Carriage Pond Subdivision Phase 4, Carriage Farm Subdivision Phase 5, Ford's Colony Phases 1, 2 & 3, Waterstone Subdivision, Winstead Avenue/English Road Business Park

Public Utilities - Gas

Division: Gas

Category: 2, 3, 6

Number:

6505.98

Title: Replace Gas Main

Project Description:

This project provides for the replacement of gas main that is at the end of its useful life and is subject to increasing leakage. The current project is to replace all cast iron and low pressure gas main. Approximately 62,700' of cast iron main remains in service - 5,000' in Edgecombe County and 57,700' in Nash County; all mainly in the downtown area. This gas main is 50 to 100 years old, subject to increasing breakage and leakage, and is very difficult to stabilize and repair. More leaks have occurred in the cast iron pipe network than throughout the rest of the system. The City's voluntary replacement of cast iron main has precluded a mandatory replacement by the North Carolina Utilities Commission.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
TOTAL	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy B-2 in that it provides upgrading existing gas facilities consistent with the Comprehensive Plan.

Project Status:

Year to date cast iron main replacement included upgrades in Edgecombe County on the following streets: Edgecombe St, Arlington St, Washington St, Marigold St, S. Raleigh St, Hill St, Lexington St, Rose St, N. Parker St and E. Thomas St. All streets were upgraded with a high-pressure plastic main and a year to date total of 72 homes have been converted over to the new gas main.

Total footage of cast iron main abandoned: 9,849'

Total footage of replacement main installed: 18,000' (plastic main was installed on both sides of the roadway.)

FY 2007-08: Projected to complete Edgecombe County cast iron replacement with the installation of ~ 5,000' of replacement main and an additional 75 homes/businesses. Will also start the replacement of low pressure cast iron main in Nash County.

Public Utilities - Gas

Division: Gas

Category: 8

Number:

6507.98

Title: New Gas Services

Project Description:

This project provides funds for the installation of natural gas services lines from new and existing mains for new residential, commercial, and industrial customers.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Equipment/Furnishing							\$0
TOTAL	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategies F-1 in that it provides for the installation of gas services consistent with the Comprehensive Plan.

Project Status:

Year to date gas service footage installed: 14,088' with a total projection of 30,000'. Projects include the installation of 163 requested services year to date in the Rocky Mount, Nashville and Hwy 97 areas and the projection of an additional 200 services.

Public Utilities - Gas

Division: Gas

Category: 8

Number:

Title: Gas System Expansion

Project Description:

This project provides funding for the expansion of the natural gas distribution system into areas of planned development.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Equipment/Furnishing							\$0
TOTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy F-1 in that it provides for gas main extensions consistent with the Comprehensive Plan.

Project Status:

FY 2007-08: Project is to install 4" gas main on S. Old Carriage Rd. between Oak Level Rd. and Sunset Ave. and to expand gas main in the reservoir area.

Public Utilities - Gas

Division: Gas

Category: 2, 8

Number:

Title: Automated Meter Reading - Gas

Project Description:

To provide funding for Automated Meter Reading (AMR) of electric, gas and water meters. AMR provides meter reading without having to gain access to a customers property. Costs are reduced through reduced staffing, reduced re-reads, more accurate reads, and elimination of access problems. Customer service is improved by eliminating estimated bills, reducing high bill complaints, and eliminating need to access customer premise. Cash flow is improved by fewer meter reading cycles and reduced revenue delays due to inaccurate or estimated reads. It also reduces liabilities through greatly reduced employee driving of vehicles, and entering customer premises. Theft detection is also greatly enhanced.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing	\$100,000	\$100,000	\$100,000	\$100,000	\$1,200,000	\$1,200,000	\$2,700,000
TOTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$1,200,000	\$1,200,000	\$2,700,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue	\$100,000	\$100,000	\$100,000	\$100,000			\$300,000
Debt					\$1,200,000	\$1,200,000	\$2,400,000
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$1,200,000	\$1,200,000	\$2,700,000

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy B - 2 & F - 1 in that it upgrades existing utility service and improves the management of utilities which is consistent with the Comprehensive Plan.

Project Status:

As of 12/06: 2,224 residential AMR installations have been completed.

Remainder of FY 2006-07: Residential - 500 AMR equipped replacement gas meters and conversion of 300 existing gas meters;

Commercial - 40 AMR equipped replacement gas meters.

FY 2007-08 to FY 2009-10: Residential - 500 AMR equipped replacement gas meters; Commercial - 100 AMR equipped replacement gas meters.

FY 2010-11 to FY 2012-13: Project is projected to be completed as follows:

Residential - 10,100 AMR equipped replacement meters; conversion of 2,700 existing gas meters

Commercial - 1,770 AMR equipped replacement gas meters; conversion of 481 existing gas meters.

Public Utilities - Gas

Division: Gas

Category: 8

Number:

Title: Gas Meter Prover

Project Description:

This project provides funding for the purchase of an Automated Gas Meter Prover and a Portable Large Volume Gas Meter Prover. Gas Meter Provers are used to test and calibrate gas meters. The two gas provers that the Gas Division currently have are stationary provers originally purchased in the 1940's. Automated provers are able to test and prove gas meters 10 to 15 times faster than the existing provers and interface with a computer for automated record keeping. Current record keeping is not automated. A portable prover allows the testing of large volume gas meters in the field. The vendor who currently provides this service has stated his intention to retire in the near future. A portable prover will allow the City to make these tests and not rely on a vendor.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy F - 1 in that it improves the management of the Gas Division which is consistent with the Comprehensive Plan.

Project Status:

Equipment will be purchased and installed in FY 2006-07 using funds from the system expansion account.

Public Utilities - Gas

Division: Gas

Category: 1

Number:

Title: Replace Gas Main - DOT

Project Description:

This project involves the replacement of a 6" steel natural gas main on the Sunset Avenue bridge over Wesleyan Blvd due to North Carolina Department of Transportation's (NCDOT) planned rebuilding of the bridge.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2009-10 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition							\$0
Construction							\$0
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue							\$0
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

Project is required to comply with NCDOT.

Project Status:

Existing 6" gas main on Sunset Bridge over Wesleyan Blvd. was struck and damaged by a vehicle. This necessitated the replacement of the main before the FY 2006-07 winter season. Project was completed in FY FY 2006-07 using funds from the new mains and replacement mains accounts.

Public Utilities - Gas

Division: Gas

Category: 8

Number:

Title: Peak Shaving Facility

Project Description:

This project provides funding for planning and construction of a natural gas peak shaving storage facility. Construction of a peak shaving facility will provide a local storage facility for natural gas. This volume of gas can be utilized on the coldest or "peak" days thereby offsetting the need to increase the contract demand.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2010-11 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition						\$50,000	\$50,000
Construction							\$0
Equipment/Furnishing							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue						\$50,000	\$50,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000

Estimated Annual Operating Costs: One Time \$ 10,000 Recurring \$ -

Justification:

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy F - 1 in that it improves the management of the natural gas supply which is consistent with the Comprehensive Plan.

Project Status:

Engineering studies are planned for FY 2011-12 which will examine peak shaving storage facility need and type. Required volume and throughput, suitable facility location based on system take away capabilities and available land and development of a site specific design. will also be determined. Construction is planned for FY 2012-13.

Public Utilities - Gas

Division: Gas

Category: 1

Number:

Title: MGP Remediation

Project Description:

This project provides for the remedial investigation (RI) of the subsurface area at the location of the City's former manufactured gas plant (MGP) site. The City operated a coal gas manufacturing plant from ~ the 1920's to 1950's. In general, MGP's produced coal gas for lighting and heating from coal. Byproducts of this process including coal tar and oils were typically stored and disposed of on sight. This may have caused contamination of the subsurface area of the MGP. This project is implement a DENR approved remedial investigation (RI) to determine the extent of any subsurface contamination and develop and implement a DENR approved remedial action plan (RAP) to address any subsurface contamination.

PROJECT	PRIOR YEAR COST	2007-08 BUDGET	2008-09 PLAN	2009-10 PLAN	2009-10 PLAN	2011-12 PLAN	2008-12 PLAN TOTAL
Planning/Acquisition		\$130,000					\$130,000
Construction					\$0		\$0
Equipment/Furnishing							\$0
TOTAL	\$0	\$130,000	\$0	\$0	\$0	\$0	\$130,000
FUNDING SOURCE							
Current Revenue							\$0
Enterprise Revenue		\$130,000			\$0		\$130,000
Debt							\$0
Capital Reserves							\$0
Grants/Other							\$0
TOTAL	\$0	\$130,000	\$0	\$0	\$0	\$0	\$130,000

Estimated Annual Operating Costs: One Time \$ - Recurring \$ -

Justification:

This project is required to comply with NCDENR.

Project Status:

To Date: A remedial investigation work plan has been developed and approved by NCDENR.

FY 2007-08: It is expected that NCDENR will require a remedial investigation (RI) to be performed this coming year. Based upon the findings of the RI a remedial action plan (RAP) will be developed and submitted to DENR for approval. The necessary funds for implementing the RAP will be determined and budgeted in subsequent years.